



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT



MAY 02 2016

Mr. Steve Fisher
All American Oil & Gas Inc.
PO Box 10207
Bakerfield, CA 93389

Re: Notice of Minor Title V Permit Modification
District Facility # S-7858
Project # S-1160252

Dear Mr. Fisher:

Enclosed is the District's analysis of your application for minor Title V permit modification for the facility identified above. You proposed a Title V minor permit modification to incorporate recently issued S-7858-14-1 & '-24-0 (under project S-1153404) into the Title V operating permit. All American is installing a fixed roof 250 bbl. crude oil tank connected to an existing vapor control system listed on Permit S-7858-14-0. All American has also limited both tanks to store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia. In addition, All American is requesting inclusion in the District's Voluntary Tank Interior Cleaning Program.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued S-7858-14-1 & '-24-0, emission increases, application, and previous Title V permit. This project will be subject to a 45-day EPA commenting period prior to the District taking final action.

If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Thank you for your cooperation in this matter.

Sincerely,


Arnaud Marjollet
Director of Permit Services

Enclosures

cc: Gerardo C. Rios, EPA (w/enclosure) via email

Sayed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585



TITLE V APPLICATION REVIEW

Minor Modification
Project #: S-1160252

Engineer: William Jones
Date: 4/18/16

Facility Number: S-7858
Facility Name: All American Oil & Gas
Mailing Address: PO Box 10207
Bakersfield, CA 93389

Contact Name: Steve Fisher
Phone: 661-589-2507

Responsible Official: Steve Fisher
Title: Vice President Operations

I. PROPOSAL

All American Oil & Gas Inc. (All American) is proposing a Title V minor permit modification to incorporate recently issued Authorities to Construct (ATC) S-7858-14-1 & '-24-0 (under project S-1153404) into the Title V operating permit. All American is proposing the installation of one fixed roof 250 bbl. crude oil tank. The new tank will be connected to an existing vapor control system listed on Permit S-7858-14-0. All American has also limited both tanks to store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia. In addition, All American is requesting inclusion in the District's Voluntary Tank Interior Cleaning Program.

The purpose of this evaluation is to identify all applicable requirements, determine if the facility will comply with the applicable requirements and to provide the legal and factual basis for the proposed revisions.

II. FACILITY LOCATION

The facility is located at the Jerry Lee/Ferne Lease within the NE ¼ of section 6, township 29S, range 28E and operates as part of All American's Heavy Oil Central Stationary Source.

III. EQUIPMENT DESCRIPTION

S-7858-14-3: 1,500 BBL FIXED ROOF CRUDE OIL WASH TANK WITH VAPOR CONTROL SYSTEM SHARED WITH S-7858-15, '-16, '-17, '-18, & '-24 INCLUDING GAS BLANKETING PIPING, VAPOR RECOVERY PIPING, AND VAPOR COMPRESSOR DISCHARGING TO TEOR VAPOR CONTROL SYSTEM LISTED ON S-7858-3 (JERRY LEE/FERNE LEASE)

S-7858-24-1: 250 BBL FIXED ROOF CRUDE OIL SKIM TANK SERVED BY THE VAPOR CONTROL SYSTEM LISTED ON PERMIT S-7858-14 (JERRY LEE/FERNE LEASE)

IV. SCOPE OF EPA AND PUBLIC REVIEW

This change to a Title V permit is considered to be a minor modification and, as such, requires no public review.

V. APPLICABLE REQUIREMENTS

District Rule 2520, Federally Mandated Operating Permits (Adopted June 21, 2001)

VI. DESCRIPTION OF PROPOSED MODIFICATIONS

All American is proposing the installation of one fixed roof 250 bbl. crude oil tank. The new tank will be connected to an existing vapor control system listed on Permit S-7858-14-0. All American would also like to limit both tanks to store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia. In addition, All American is requesting inclusion in the Voluntary Tank Interior Cleaning Program.

Therefore, an explanation of the modifications to the permit conditions will be listed under the specific permit units below:

S-7858-14-3:

The following table show the condition that will remain on the proposed permit (-14-3), these condition will not be modified.

Condition on current PTO S-7858-14-2	Condition on proposed PTO S-7858-14-3
1	4
2	10
3	11
4	12
6	13
7	14
8	15
9	16
10	17
11	18

The following condition was added to the proposed permit(-14-3) in order to limit the tank to store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia:

Condition 2. {2480} This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 4623] N

The following conditions were added to the proposed permit (-14-3) in order to address the cleaning activity requirements Per District policy SSP 2210 as part of participating in the Voluntary Tank Interior Cleaning Program:

Condition 1. While performing tank cleaning activities, operators may only use the following cleaning agents: diesel, solvents with an initial boiling point of greater than 302 degrees F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams of VOC per liter or less. [District Rule 2080] N

Condition 3. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 2080] N

Condition 5. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank upon initial start-up, at least once

every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 2201 and 4623] N

Condition 6. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. [District Rule 2201 and 4623] N

Condition 7. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 2201 and 4623] N

Condition 8. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 2201 and 4623] N

Condition 9. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 2201 and 4623] N

S-7858-24-1:

Authority to Construct (-24-0) condition 1 was not included on the proposed Permit to Operate. This condition is administrative and as such is no longer an applicable requirement.

Authority to Construct condition 2 was not included on the proposed Permit to Operate. This condition is included in the facility-wide requirements.

VII. COMPLIANCE

In accordance with Rule 2520, 3.20, these modifications:

1. Do not violate requirements of any applicable federally enforceable local or federal requirement;

2. Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant changes in existing monitoring permit terms or conditions;
3. Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;
4. Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include;
 - a. A federally enforceable emission cap assumed to avoid classification as a modification under any provisions of Title I of the Federal Clean Air Act; and
 - b. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and
5. Are not Title I modifications as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act; and
6. Do not seek to consolidate overlapping applicable requirements.

In accordance with Rule 2520, the application meets the procedural requirements of section 11.4 by including;

1. A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;
2. The source's suggested draft permit; and
3. Certification by a responsible official that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used.

VIII. ATTACHMENTS

- A. Proposed Modified Title V Operating Permit No. S-7858-14-3 & '-24-1
- B. Authorities to Construct No. S-7858-14-1 & '-24-0
- C. Emissions Increases
- D. Previous Title V Operating Permit No.'s S-7858-14-2

ATTACHMENT A

Proposed Modified Title V Operating Permit No.
(S-7858-14-3 & '-24-1)

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-7858-14-3

EXPIRATION DATE: 07/31/2019

EQUIPMENT DESCRIPTION:

1,500 BBL FIXED ROOF CRUDE OIL WASH TANK WITH VAPOR CONTROL SYSTEM SHARED WITH S-7858-15, '-16, '-17, & '-18 INCLUDING GAS BLANKETING PIPING, VAPOR RECOVERY PIPING, AND VAPOR COMPRESSOR DISCHARGING TO TEOR VCS LISTED ON S-7858-3

PERMIT UNIT REQUIREMENTS

1. While performing tank cleaning activities, operators may only use the following cleaning agents: diesel, solvents with an initial boiling point of greater than 302 degrees F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams of VOC per liter or less. [District Rule 2080]
2. {2480} This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 4623]
3. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 2080]
4. The VOC content of the gas shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank upon initial start-up, at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 2201 and 4623]
6. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. [District Rule 2201 and 4623]
7. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 2201 and 4623]
8. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 2201 and 4623]
9. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 2201 and 4623]
10. Operator shall conduct quarterly gas sampling for gas exiting the separator pressure vessel to qualify for exemption from fugitive component counts for components handling fluids with VOC content equal to or less than 10% by weight. If gas samples are equal to or less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually. [District Rule 2201] Federally Enforceable Through Title V Permit
11. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

12. A leak-free condition is defined as a condition without a gas leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 and shall be reported as a deviation. [District Rule 2201] Federally Enforceable Through Title V Permit
13. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Except as otherwise provided in this permit, the operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2201] Federally Enforceable Through Title V Permit
15. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit [District Rules 2201] Federally Enforceable Through Title V Permit
16. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623, even if it is under the voluntary inspection and maintenance program. [District Rules 2201] Federally Enforceable Through Title V Permit
17. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rules 2201] Federally Enforceable Through Title V Permit
18. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 1070] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-7858-24-1

EXPIRATION DATE: 07/31/2019

EQUIPMENT DESCRIPTION:

250 BBL FIXED ROOF CRUDE OIL SKIM TANK SERVED BY THE VAPOR CONTROL SYSTEM LISTED ON PERMIT S-7858-14 AND INCLUDE TANK CLEANING PROVISIONS (JERRY LEE/FERNE LEASE)

PERMIT UNIT REQUIREMENTS

1. The VOC content of the gas shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit
2. {2480} This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 4623]
3. Permittee shall notify the APCO in writing at least three (3) days prior to performing tank degassing and interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank being degassed, 2) the date and time that tank degassing and cleaning activities will begin, 3) the degassing method, as allowed in this permit, to be used, 4) the method to be used to clean the tank, including any solvents to be used, and 5) the method to be used to dispose of any removed sludge, including methods that will be used to control emissions from the receiving vessel and emissions during transport. [District Rule 2080]
4. This tank shall be degassed before commencing interior cleaning by following one of the following options: 1) exhausting VOCs contained in the tank vapor space to an APCO-approved vapor recovery system until the organic vapor concentration is 5,000 ppmv or less, or is 10 percent or less of the lower explosion limit (LEL), whichever is less, or 2) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable liquid until 90 percent or more of the maximum operating level of the tank is filled. Suitable liquids are organic liquids having a TVP of less than 0.5 psia, water, clean produced water, or produced water derived from crude oil having a TVP less than 0.5 psia, or 3) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable gas. Degassing shall continue until the operator has achieved a vapor displacement equivalent to at least 2.3 times the tank capacity. Suitable gases are air, nitrogen, carbon dioxide, or natural gas containing less than 10 percent VOC by weight. [District Rule 2080]
5. During tank degassing, the operator shall discharge or displace organic vapors contained in the tank vapor space to an APCO-approved vapor recovery system. [District Rule 2080]
6. To facilitate connection to an external APCO-approved recovery system, a suitable tank fitting, such as a manway, may be temporarily removed for a period of time not to exceed 1 hour. [District Rule 2080]
7. While performing tank cleaning activities, operators may only use the following cleaning agents: diesel, solvents with an initial boiling point of greater than 302 degrees F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams of VOC per liter or less. [District Rule 2080]
8. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 2080]
9. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank upon initial start-up, at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 2201 and 4623]
10. The permittee shall conduct API gravity testing upon initial start-up. [District Rule 4623]

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

11. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. [District Rule 2201 and 4623]
12. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 2201 and 4623]
13. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 2201 and 4623]
14. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 2201 and 4623]
15. Operator shall conduct quarterly gas sampling for gas exiting the separator pressure vessel to qualify for exemption from fugitive component counts for components handling fluids with VOC content equal to or less than 10% by weight. If gas samples are equal to or less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually. [District Rule 2201] Federally Enforceable Through Title V Permit
16. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rule 2201] Federally Enforceable Through Title V Permit
17. A leak-free condition is defined as a condition without a gas leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 and shall be reported as a deviation. [District Rule 2201] Federally Enforceable Through Title V Permit
18. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a gas-tight cover which shall be closed at all times except during gauging or sampling. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Except as otherwise provided in this permit, the operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2201] Federally Enforceable Through Title V Permit
21. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit [District Rules 2201] Federally Enforceable Through Title V Permit
22. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623, even if it is under the voluntary inspection and maintenance program. [District Rules 2201] Federally Enforceable Through Title V Permit
23. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rules 2201] Federally Enforceable Through Title V Permit
24. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 1070] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

ATTACHMENT B

Authorities to Construct No.
(S-7858-14-1 & '-24-0)



AUTHORITY TO CONSTRUCT

PERMIT NO: S-7858-14-1

ISSUANCE DATE: 02/10/2016

LEGAL OWNER OR OPERATOR: ALL AMERICAN OIL & GAS INC.
MAILING ADDRESS: P O BOX 10207

C/O ENTERPRISE DRILLING
BAKERSFIELD, CA 93389

LOCATION: HEAVY OIL CENTRAL
SEC 6, T29S, R28E
CA

EQUIPMENT DESCRIPTION:

MODIFICATION OF 1,500 BBL FIXED ROOF CRUDE OIL WASH TANK WITH VAPOR CONTROL SYSTEM SHARED WITH S-7858-15, '-16, '-17, & '-18 INCLUDING GAS BLANKETING PIPING, VAPOR RECOVERY PIPING, AND VAPOR COMPRESSOR DISCHARGING TO TEOR VAPOR CONTROL SYSTEM LISTED ON S-7858-3: CONNECT TANK S-7858-24 TO THE VAPOR CONTROL SYSTEM AND INCLUDE TANK CLEANING PROVISIONS (JERRY LEE/FERNE LEASE)

CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. Permits S-724-2, '-3, '-4, '-11, and '-19 shall be canceled prior to or concurrent with this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit
3. While performing tank cleaning activities, operators may only use the following cleaning agents: diesel, solvents with an initial boiling point of greater than 302 degrees F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams of VOC per liter or less. [District Rule 2080]
4. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 4623]
5. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 2080]
6. The VOC content of the gas shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Sayed Sadredin, Executive Director / APCO

7. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank upon initial start-up, at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 2201 and 4623]
8. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. [District Rule 2201 and 4623]
9. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 2201 and 4623]
10. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 2201 and 4623]
11. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 2201 and 4623]
12. Operator shall conduct quarterly gas sampling for gas exiting the separator pressure vessel to qualify for exemption from fugitive component counts for components handling fluids with VOC content equal to or less than 10% by weight. If gas samples are equal to or less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually. [District Rule 2201] Federally Enforceable Through Title V Permit
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15. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Except as otherwise provided in this permit, the operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2201] Federally Enforceable Through Title V Permit
17. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit [District Rules 2201] Federally Enforceable Through Title V Permit
18. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623, even if it is under the voluntary inspection and maintenance program. [District Rules 2201] Federally Enforceable Through Title V Permit
19. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rules 2201] Federally Enforceable Through Title V Permit
20. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 1070] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-7858-24-0

ISSUANCE DATE: 02/10/2016

LEGAL OWNER OR OPERATOR: ALL AMERICAN OIL & GAS INC.

MAILING ADDRESS: P O BOX 10207
C/O ENTERPRISE DRILLING
BAKERSFIELD, CA 93389

LOCATION: HEAVY OIL CENTRAL
SEC 6, T29S, R28E
CA

EQUIPMENT DESCRIPTION:

250 BBL FIXED ROOF CRUDE OIL SKIM TANK SERVED BY THE VAPOR CONTROL SYSTEM LISTED ON PERMIT S-7858-14 AND INCLUDE TANK CLEANING PROVISIONS (JERRY LEE/FERNE LEASE)

CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. The VOC content of the gas shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit
3. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 4623]
4. Permittee shall notify the APCO in writing at least three (3) days prior to performing tank degassing and interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank being degassed, 2) the date and time that tank degassing and cleaning activities will begin, 3) the degassing method, as allowed in this permit, to be used, 4) the method to be used to clean the tank, including any solvents to be used, and 5) the method to be used to dispose of any removed sludge, including methods that will be used to control emissions from the receiving vessel and emissions during transport. [District Rule 2080]

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

5. This tank shall be degassed before commencing interior cleaning by following one of the following options: 1) exhausting VOCs contained in the tank vapor space to an APCO-approved vapor recovery system until the organic vapor concentration is 5,000 ppmv or less, or is 10 percent or less of the lower explosion limit (LEL), whichever is less, or 2) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable liquid until 90 percent or more of the maximum operating level of the tank is filled. Suitable liquids are organic liquids having a TVP of less than 0.5 psia, water, clean produced water, or produced water derived from crude oil having a TVP less than 0.5 psia, or 3) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable gas. Degassing shall continue until the operator has achieved a vapor displacement equivalent to at least 2.3 times the tank capacity. Suitable gases are air, nitrogen, carbon dioxide, or natural gas containing less than 10 percent VOC by weight. [District Rule 2080]
6. During tank degassing, the operator shall discharge or displace organic vapors contained in the tank vapor space to an APCO-approved vapor recovery system. [District Rule 2080]
7. To facilitate connection to an external APCO-approved recovery system, a suitable tank fitting, such as a manway, may be temporarily removed for a period of time not to exceed 1 hour. [District Rule 2080]
8. While performing tank cleaning activities, operators may only use the following cleaning agents: diesel, solvents with an initial boiling point of greater than 302 degrees F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams of VOC per liter or less. [District Rule 2080]
9. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 2080]
10. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank upon initial start-up, at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 2201 and 4623]
11. The permittee shall conduct API gravity testing upon initial start-up. [District Rule 4623]
12. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. [District Rule 2201 and 4623]
13. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 2201 and 4623]
14. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 2201 and 4623]
15. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 2201 and 4623]
16. Operator shall conduct quarterly gas sampling for gas exiting the separator pressure vessel to qualify for exemption from fugitive component counts for components handling fluids with VOC content equal to or less than 10% by weight. If gas samples are equal to or less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually. [District Rule 2201] Federally Enforceable Through Title V Permit
17. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rule 2201] Federally Enforceable Through Title V Permit
18. A leak-free condition is defined as a condition without a gas leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 and shall be reported as a deviation. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a gas-tight cover which shall be closed at all times except during gauging or sampling. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Except as otherwise provided in this permit, the operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2201] Federally Enforceable Through Title V Permit
22. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit [District Rules 2201] Federally Enforceable Through Title V Permit
23. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623, even if it is under the voluntary inspection and maintenance program. [District Rules 2201] Federally Enforceable Through Title V Permit
24. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rules 2201] Federally Enforceable Through Title V Permit
25. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 1070] Federally Enforceable Through Title V Permit

ATTACHMENT C

Emissions Increases

	SSIPE (lb/yr)				
	NOx	VOC	CO	SOx	PM10
S-7858-14-3	0	0	0	0	0
S-7858-24-1	0	0	0	0	0
TOTAL	0	0	0	0	0

ATTACHMENT D

Previous Title V Operating Permit
No. S-7858-14-2

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-7858-14-2

EXPIRATION DATE: 07/31/2019

EQUIPMENT DESCRIPTION:

1,500 BBL FIXED ROOF CRUDE OIL WASH TANK WITH VAPOR CONTROL SYSTEM SHARED WITH S-7858-15, '-16, '-17, & '-18 INCLUDING GAS BLANKETING PIPING, VAPOR RECOVERY PIPING, AND VAPOR COMPRESSOR DISCHARGING TO TEOR VCS LISTED ON S-7858-3

PERMIT UNIT REQUIREMENTS

1. The VOC content of the gas shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Operator shall conduct quarterly gas sampling for gas exiting the separator pressure vessel to qualify for exemption from fugitive component counts for components handling fluids with VOC content equal to or less than 10% by weight. If gas samples are equal to or less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually. [District Rule 2201] Federally Enforceable Through Title V Permit
3. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rule 4623] Federally Enforceable Through Title V Permit
4. A leak-free condition is defined as a condition without a gas leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 and shall be reported as a deviation. [District Rule 4623] Federally Enforceable Through Title V Permit
5. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a gas-tight cover which shall be closed at all times except during gauging or sampling. [District Rule 4623] Federally Enforceable Through Title V Permit
6. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Except as otherwise provided in this permit, the operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2201] Federally Enforceable Through Title V Permit
8. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
9. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623, even if it is under the voluntary inspection and maintenance program. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
10. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

11. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 1070] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.